

July 17, 2017

Subject: Affordable Housing Sustainable Communities (AHSC) Pilot Technical Assistance Program Evaluation and California Climate Investments (CCI) Outreach and Technical Assistance Program Updates

Reporting Period: April 2017 – July 2017

Staff Lead: Monica Palmeira, Strategic Growth Council

Recommended Action:

For information and discussion only – no action required.

Summary:

SGC Staff engaged UC Davis to complete an evaluation of the Affordable Housing and Sustainable Communities (AHSC) Pilot Technical Assistance Program. The evaluation illuminated the critical importance of providing technical assistance services to disadvantaged community applicants, and highlighted key areas of improvement for future technical assistance programs. This feedback has been incorporated into the upcoming round of AHSC Technical Assistance. Additionally, lessons learned from the Pilot and subsequent evaluation has informed the approach and structure of the broader California Climate Investments (CCI) Outreach and Technical Assistance Program. Updates to the Program's Goals and Structure are presented below.

Background:

The Budget Act of 2015 (Chapter 321, Statutes of 2015) appropriated \$500,000 to SGC for a pilot technical assistance program for the Affordable Housing Sustainable Communities (AHSC) program. Staff contracted with three regional technical assistance teams to provide direct application assistance to select disadvantaged community applicants. A proportion of funds were also directed to invest in capacity building activities for the AHSC program, including convening transportation, housing, and local government interests to encourage partnerships that could result in AHSC applications in future rounds, deeper technical workshops related to greenhouse gas emissions reduction approaches, and policy discussions regarding impacts related to siting affordable housing near transit and increased housing density.

AB 1613 (Chapter 370, Statutes of 2016) appropriated \$2.0 million from the Greenhouse Gas Reduction Fund (GGRF) to the Office of Planning and Research for the Strategic Growth Council to provide technical assistance to disadvantaged communities. This funding is intended for a broad range of assistance efforts to increase the capacity of applicants in disadvantaged communities to successfully compete for California Climate Investment (CCI) program funds.

AHSC Pilot Technical Assistance Program Evaluation – Key Findings:

UC Davis was contracted by the Strategic Growth Council (SGC) in the fall of 2016 to assess the effectiveness of the AHSC Pilot Technical Assistance (TA) Program. They were also tasked with recommending improvements that would optimize the overall delivery and cost-effectiveness of future technical assistance efforts.

The AHSC Pilot TA Program provided AHSC applicants from disadvantaged communities with professional support and analysis to enhance the competitiveness of their applications. Applicants eligible for TA assistance were chosen from round 1 AHSC applicants who had failed to win an award and were located in disadvantaged communities. Each eligible TA recipient was assigned to work with a designated TA provider. In addition to the TA offered through the SGC, there were a host of other entities, including regional agencies, non-profits and private firms, who also provided TA to AHSC applicants. This evaluation gathered and analyzed data from SGC TA teams, surveyed AHSC applicants, and interviewed both applicants and TA providers. Analysis was also performed from the non-SGC supported TA providers, those that make up a broader AHSC TA “ecosystem”, to facilitate comparisons between the SGC AHSC Pilot TA Program and the TA available outside the pilot program.

A summary of key findings of this analysis include:

- **Different TA Providers supported different types of applicants.** SGC's AHSC Pilot TA Program played a unique and important role by providing assistance to a subset of applicants who were not as readily serviced by other TA providers. However, non-SGC TA providers were more successful in certain circumstances. This is likely attributable to having some specific criteria used to select TA recipients and carefully expending TA resources with applicants that have a viable project.
- **Applicants who received comprehensive TA overwhelmingly outcompeted those who did not.** The SGC awarded 25 projects in round 2 – all but one received comprehensive TA.
- **TA has an outsized effect on disadvantaged community applicants.** Projects serving disadvantaged communities were less likely to make it to the full application stage without TA.
- **GHG Quantification services are critical.** The most valued aspect of TA was the quantification of greenhouse gas emissions reductions. However, there were widespread discrepancies and inconsistencies in the GHG quantifications submitted by applicants.
- **Regional disparities existed in Southern and Rural California.** Opportunities to receive TA were not equally distributed across regions, or potential recipients were not informed of available resources.
- **Communication and problem solving can be improved.** Imperfect coordination and communication between state agencies and technical assistance providers was a barrier to effective TA.

Overall, the key findings in the UC Davis evaluation were supported in final reports submitted by each of the three SGC TA teams, as well as through the overall experience delivering TA during the AHSC cycle. UC Davis prepared the recommendations outlined in Table 1 for future rounds of AHSC TA. SGC Staff has already either implemented or begun processes to implement these changes.

Table 1: Recommendations for future AHSC Technical Assistance

UC Davis Recommendations to SGC	SGC Action
SGC should continue to target TA to applicants from disadvantaged communities that may not otherwise have access to such benefits.	Future AHSC TA will continue to have a focus and priority for disadvantaged communities, as well as low-income communities.
SGC should use a flexible approach that allows TA resources to be reallocated to other applicants when an eligible applicant decides not to access such benefits.	As a pilot, the first iteration of AHSC TA selected a finite group of TA recipients to work with in order to distribute limited resources. For future AHSC TA, eligible recipients will likely be screened based on a balance of project viability criteria and need for TA resources, alongside cost effectiveness and disadvantaged or low-income community designation.
SGC should revise its eligibility criteria to ensure that limited TA resources are not being spent on applications that are highly unlikely to win an award.	
Wherever possible, SGC should avoid duplication of efforts with other major technical assistance providers.	The TA teams selected for this upcoming round have brought together most of the other TA providers in the state. This will allow for significantly less duplication of efforts and streamlined coordination of service delivery.
SGC should consider designating some of its resources specifically to applicants in Rural California and should work with in Southern California to increase awareness of the TA resources available in the region.	For this upcoming round of AHSC TA, each TA team has a “rural advisor” subcontractor to serve rural applications in each region. Additionally, SGC and the TA team in Southern California have performed over nine county-specific workshops in Southern California over the last year to build capacity around AHSC program concepts. We will be able to maximize these new relationships with potential applicants this year and more proactively connect Southern California applicants with TA services sooner.
SGC and ARB staff should work with TA providers to improve clarity and communication around the GHG reduction methodology.	Changes to the AHSC Program Guidelines and accompanying GHG Quantification Methodology have created more clarity around methods and practices that reduce GHGs. Additionally, the “project setting” selection that caused significant inconsistencies in GHG scores has been standardized for each Project Type, thus eliminating the room for inconsistency.
SGC and ARB staff should provide additional guidance and oversight regarding the assignment of CAPCOA project setting types.	
SGC should facilitate an in-person training and orientation for all major TA providers at the beginning of each round of grantmaking.	SGC plans to hold both an AHSC Guidelines and GHG Quantification Methodology trainings for TA providers before they begin work with TA recipients.
SGC should make every effort to increase the amount of time TA providers have to work with applicants prior to the submission of applications.	It is anticipated that TA Teams will begin work with TA recipients as early as 2 months before application is released. SGC hopes that as the AHSC program funding rounds become more consistent, we can build TA to be continuous and avoid gaps between rounds.
SGC should encourage learning and sharing of best practices among all interested TA providers, not just those who are part of the SGC AHSC TA program.	SGC will make every effort to track all entities providing TA for AHSC and create a peer-learning network to share best practices and improve coordination.

California Climate Investments Outreach and Technical Assistance Program:

SGC Staff has been working throughout the last several months to structure and build a multi-faceted Outreach and Technical Assistance (TA) Program that builds on lessons learned from our AHSC Pilot TA Program, as well as feedback through broader California Climate Investments (CCI) outreach efforts. Outlined below are refined Goals and Program Structure for the CCI Outreach and TA Program reflecting several months of inter-agency discussion and coordination.

CCI Outreach & Technical Assistance Program Goals

1. **Direct Assistance** - Increase the number of successful applications from disadvantaged and low-income communities to CCI programs by providing direct assistance in preparing applications and quantifying GHG reductions.
2. **Capacity Building** - Build the capacity of disadvantaged and low-income communities in identifying potential projects, building cross-sector partnerships, and finding appropriate CCI programs to community needs.
3. **Integrating CCI Programs** - Align outreach and technical assistance efforts such that disadvantaged and low-income communities comprehend the full suite of programs available to them under the CCI umbrella, and provide the services necessary to create multi-faceted projects that integrate more than one CCI program.

Program Structure

Because CCI programs are administered by individual state agencies on independent timelines and review processes, the CCI Outreach and TA Program has some necessity to be structured and implemented by individual agencies. Additionally, the complexity of each program's requirements and corresponding greenhouse gas emissions quantification methodologies requires specific expertise in certain subject matters. As a result, SGC staff has divided the \$2.0 million resources amongst agencies with programs that will have funding cycles in FY 17-18 - what we are terming "TA Segments." Table 2 below reflects the state agencies that will be administering TA funds and/or helping to implement the programmatic aspects of the Outreach and TA Program.

Table 2: State Agency Partners & Participating CCI Programs

Agency	CCI Program - "TA Segment"
CalSTA	Active Transportation Program (ATP)
	Transit & Intercity Rail Capital Program (TIRCP)
	Low Carbon Transportation Operations Program (LCTOP)
CSD	Community Solar
CDFA	State Water Efficiency & Enhancement Program (SWEEP)
	Healthy Soils
	Alternative Manure Management Program (AMMP)
	Dairy Digester Research and Development Program (DDRDP)



SGC	Affordable Housing Sustainable Communities (AHSC)
	Transformative Climate Communities (TCC)
ARB	Low Carbon Transportation Investments (LCTI)

The above agencies will be working in concert with SGC to design and implement both direct application and capacity-building activities that will lead to successful CCI applications that benefit disadvantaged and low income communities.

Integrating CCI Programs in Capacity-Building Activities

To build on the Outreach and TA Program's goal of integrating and layering CCI programs to achieve maximum benefits in disadvantaged and low-income communities, SGC will be taking actions to ensure the capacity-building activities in each TA Segment include overlapping themes, information, and shared knowledge of other CCI programs. Functionally, SGC staff will work alongside the participating state agencies and contracted TA providers to standardize cross-CCI curriculum and information to be delivered in each TA Segment's capacity-building component of work. This will begin the process of educating local communities in thinking about these programs in tandem, and lead to more holistic projects that meet a variety of community needs.

Integrated CCI Project Management & Application Development

Additionally, for a more thorough effort to integrate CCI programs, the AHSC TA program will include a component called "Integrated CCI Project Management and Application Development." This category supports an integrated approach to technical assistance around potential CCI projects with a model that provides significant project management and coordination services to a specific local jurisdiction. SGC staff will select 3-4 local jurisdictions to participate in the program. A TA team reflecting a diversity of expertise relevant to CCI programs will work intensely with the jurisdiction to identify community needs, chart relevant CCI programs to pursue, and coordinate the partnerships necessary to pursue funding. The goal of this effort is to better understand how these programs can be layered in actuality, and provide some understanding of how local communities can best conceptualize integrating these programs.

Program Timeline

Milestones	Date
Finalize Interagency Agreements and Contracts	June 2017
Finalize Program Structure & Performance Metrics	August 2017
Workshops & Application Assistance Begins	September 2017
End Date	June 2018